

URBAN SUPPORT AGENCY, INC.
SHREVEPORT, LOUISIANA

Audited Financial Statements
June 30, 2010

Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation
1240 Milam Street, Shreveport, LA 71101

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date **AUG 1 4 2013**

**URBAN SUPPORT AGENCY, INC.
SHREVEPORT, LOUISIANA**

For the Year ended June 30, 2010

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**Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation**

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Urban Support Agency, Inc
Shreveport, Louisiana

I have audited the accompanying statement of financial position of Urban Support Agency, Inc., a non-profit organization, as of June 30, 2010, and the related statements of activities, functional expenses and cash flows for the year then ended. These financial statements are the responsibility of the Agency's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Urban Support Agency, Inc. as of June 30, 2010, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated May 1, 2013 on my consideration of Urban Support Agency, Inc.'s internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

My audit was performed for the purpose of forming an opinion on the basic financial statements of Urban Support Agency, Inc. taken as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation

May 1, 2013

1240 Milam Street, Shreveport, LA 71101 Phone: (318) 675-1945 Fax: (318) 675-1947

URBAN SUPPORT AGENCY, INC.

Statement of Financial Position
June 30, 2010

Assets

Current Assets:

Cash	\$	1,625
Grants Receivable		<u>264,791</u>
Total Current Assets		<u>266,416</u>

Property and Equipment:

Furniture		366
Office equipment		11,369
Less: Accumulated Depreciation		<u>(6,273)</u>
Total Property and Equipment		<u>5,462</u>

Total Assets	\$	<u>271,878</u>
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Liabilities and Net Assets

Current Liabilities:

Accounts Payable	\$	26,258
Payroll Expenses Payable		201,529
Line of Credit		12,668
Other Loans		<u>11,150</u>
Total Current Liabilities		<u>251,605</u>

Net Assets:

Unrestricted Net Assets		<u>20,273</u>
Total Net Assets		<u>20,273</u>

Total Liabilities and Net Assets	\$	<u>271,878</u>
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The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.

Statement of Activities
For the Year Ended June 30, 2010

	<u>Unrestricted</u>
<i>Revenue and Support</i>	
Grant Revenues	\$ 1,051,065
Other	<u>1,838</u>
Total Revenue and Support	<u>1,052,903</u>
<i>Expenses</i>	
Program Services	
TANF	401,089
21st Century Community Learning Centers	441,968
Home Repair	<u>34,054</u>
Total Program Services	<u>877,111</u>
Supporting Services:	
Management and general	<u>160,983</u>
Total Expenses	<u>1,038,094</u>
<i>Change in Net Assets</i>	14,809
<i>Net Assets</i>	
Beginning of Year	<u>5,464</u>
End of Year	\$ <u><u>20,273</u></u>

The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.

Statement of Functional Expenses
For the Year Ended June 30, 2010

	<u>Program Services</u>					
	<u>TANF</u>	<u>21st Century Community Learning Centers</u>	<u>Home Repair</u>	<u>Total Program Services</u>	<u>Management And General</u>	<u>Total Expenses</u>
Personnel	\$ 259,077	\$ 296,469	\$ 4,800	\$ 560,346	\$ 129,407	\$ 689,753
Fringes	27,606	24,906	414	52,926	9,900	62,826
Travel	44,131	16,879	0	61,010	0	61,010
Operating Expenses	201	4,087	15,574	19,862	0	19,862
Supplies	37,804	53,851	10,747	102,402	20,210	122,612
Other Expenses	<u>31,986</u>	<u>45,776</u>	<u>2,519</u>	<u>80,281</u>	<u>0</u>	<u>80,281</u>
Total Expenses Before Depreciation	400,805	441,968	34,054	876,827	159,517	1,036,344
Depreciation	<u>284</u>	<u>0</u>	<u>0</u>	<u>284</u>	<u>1,466</u>	<u>1,750</u>
Total Expenses	\$ <u>401,089</u>	\$ <u>441,968</u>	\$ <u>34,054</u>	\$ <u>877,111</u>	\$ <u>160,983</u>	\$ <u>1,038,094</u>

The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.

Statement of Cash Flows

June 30, 2010

Cash Flows from Operating Activities:

Change in Net Assets \$ 14,809

Adjustments to Reconcile Change in Net Assets to

Net Cash Provided from Operations:

Depreciation 1,750

(Increase)/Decrease in Receivables (51,268)

Increase/(Decrease) in Payables 42,731

(Increase)/Decrease in Prepaid Insurance 2,718

Total Adjustments (4,069)

Net Cash Provided/(Used) by Operating Activities 10,740

Cash Flows from Financing Activities

Loan Proceeds 25,000

Loan Repayments (39,166)

Net Cash Flows Provided/(Used) by Financing Activities (14,166)

Net Increase/(Decrease) in Cash and Cash Equivalents (3,426)

Cash and Cash Equivalents, Beginning of Year 5,051

Cash and Cash Equivalents, End of Year \$ 1,625

The accompanying notes are an integral part of the financial statements

URBAN SUPPORT AGENCY, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

NOTE 1- NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Urban Support Agency, Inc. (Agency) is a non-profit organization incorporated under the laws of the State of Louisiana on July 19, 1996. The Agency was established to provide tutorial and housing related services to targeted persons or families in need. Funding from, donations, and grants are utilized for this purpose. The primary source of funding for the Agency was from grants/contracts from the Louisiana Department of Education. The Agency administered the Twenty-first Century Community Learning Centers contracts which comprised of approximately 48 percent of the total funding of the Agency and the Temporary Assistance for Needy Families contract, which comprised of approximately 45 percent of the funding of the Agency. These contracts were primarily for the purpose of providing supplemental educational training for targeted students primarily in Caddo Parish.

Basis of Accounting

The financial statements of the Agency are prepared on the accrual basis. Accordingly, revenue is recorded when earned and expenses are recorded when incurred.

Basis of Presentation

Financial statement presentation follows the recommendations of the FASB ASC 958-210 formerly (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under FASB ASC 958-210, the Agency may report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

Uses of Estimates

Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could differ from those estimates.

Net Assets

Net Assets are included in one of the following three classes of net assets, depending on the presence and type of donor-imposed restrictions.

- *Unrestricted Net Assets* - Net Assets not subject to donor-imposed restrictions.
- *Temporarily restricted Net Assets* - Net assets subject to donor-imposed restrictions that may be met either by an action and/or through the passage of time. As of June 30, 2010 Net Assets included no temporarily restricted net assets.
- *Permanently restricted Net Assets* - Net Assets subject to donor-imposed restrictions that will not expire through the passage of time and/or an action. As of June 30, 2010, Net Assets included no permanently restricted net assets.

Economic Dependency

Approximately 97% of the Agency's funding is federal funds passed-through the State of Louisiana's Department Of Education.

URBAN SUPPORT AGENCY, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

Functional Allocation of Expenses

The costs of providing the various programs and activities have been summarized on a functional basis in the statement of activities. Accordingly, program and support service expenses are specifically identified with or allocated to the Agency's various functions. Expenses requiring allocation include services provided by the Agency's management and administrative staff to specific program-related activities. Expense allocations are prorated based on a percentage of time or actual usage.

Income Tax Status

The Agency is a not-for-profit organization exempt from income taxes under Section 501(c) (3) of the Internal Revenue Code and comparable state law as a charitable organization whereby only unrelated business income, as defined by Section 509 (a)(1) of the Code is subject to federal income tax. The Agency currently has no unrelated business income. Accordingly, no provision for income taxes has been recorded.

The Agency has adopted the provisions of FASB ASC 740-10-25. Under FASB ASC 740-10-25, an organization must recognize the tax benefit associated with tax taken for tax return purposes when it is more likely than not the position will be sustained. The implementation of this standard has no impact on the Agency's financial statements. The Agency does not believe there are any material uncertain tax positions and, accordingly, it will not recognize any liability for unrecognized tax benefits. No interest or penalties were accrued as of June 30, 2010, as a result of the adoption of FASB ASC 740-10-25. For the years ended June 30, 2010 and June 30, 2009 there were no interest or penalties recorded or included in its financial statements. The Agency is no longer subject to income tax examination by U.S. federal, state, or local tax authorities for tax years prior to 2007.

NOTE - 2 GRANTS RECEIVABLE

Grants receivable are amounts due from the grantor awarding agency as reimbursement of costs incurred to provide the services defined and agreed upon in the grant. Management considers all receivables at June 30, 2010 to be collectible. Therefore an allowance for doubtful accounts has not been established.

The following grants/contracts payments were due to Urban Support Agency, Inc. as of June 30, 2010:

	<u>Amount</u>
Louisiana Department Of Education 21 st Century Community Learning Centers	\$ 239,686
Caddo Parish School District Temporary Assistance for Needy Families	11,446
Other	<u>13,659</u>
	\$ <u>264,791</u>

NOTE - 3 PROPERTIES AND EQUIPMENT

- All acquisitions of property and equipment in excess of \$1,000 and all expenditures for repairs, maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Property and equipment are recorded at cost or, if donated, at the approximate fair value at the date of

URBAN SUPPORT AGENCY, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets as follows:

Furniture	5 years
Office equipment	3 years

Depreciation Expense for 2010 was \$1,750.

NOTE - 4 DEBTS

Revolving Line of Credit

The Agency has available an unsecured revolving line of credit with a bank with a maximum of \$35,000 limit. The line of credit is extended annually. Currently the credit line is extended through July 2011. Borrowings under the line of credit bear interest at 6.25%. The outstanding balance on the line of credit was \$12,668 at June 31, 2010.

Other Loans

As of June 30, 2010 the Agency had a loan due to a related party, see Note 9.

NOTE - 5 SUMMARY OF GRANT FUNDING

Urban Support administered the following grants/contracts during fiscal year 2010:

	Award Amount	Award Period		Amount Received
		From	To	
Louisiana Department Of Education 21 st Century Community Learning Centers	\$ 580,000	05/01/2009	05/31/2011	\$ 504,727
Caddo Parish School District Temporary Assistance for Needy Families	704,619	10/01/2008	06/30/2010	477,706
City Of Shreveport Community Development Block Grant	210,000	12/31/2008	06/30/2010	39,632
Caddo Parish Commission	<u>29,000</u>			<u>29,000</u>
	<u>\$ 1,523,619</u>			<u>\$ 1,051,065</u>

Contractual grant revenue is reported as unrestricted support due to the restrictions placed on those funds by the funding sources being met in the same reporting period as the revenue as earned.

NOTE - 6 COMMITMENTS

URBAN SUPPORT AGENCY, INC.
NOTES TO THE FINANCIAL STATEMENTS
June 30, 2010

Urban Support Agency, Inc. has three agreements to lease space for its main office. The terms of the leases are thirty days and renew at the first of each month thereafter. Lease expense for the year ended June 30, 2010 was \$22,335.

NOTE - 7 CONTINGENCIES

As of June 30, 2010, there were no matters relating to existing or possible litigation, questioned costs nor refunds of grant proceeds.

NOTE - 8 CONCENTRATION OF CREDIT RISK

Financial instruments that potentially subject the Agency to credit risk consist principally of cash at financial institutions and grants/contracts receivable. Demand deposits, as reflected in the banks' records, are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000. The balances in the cash account in excess of FDIC insurance limits are insured by the Dodd-Frank Deposit Insurance Provision. At June 30, 2010 deposits did not exceed FDIC limits. The Agency believes it is not exposed to any significant credit risks on its cash balances

Credit risks for accounts receivable is also concentrated because all of the balances are due from a single state agency.

NOTE - 9 RELATED PARTY TRANSACTIONS

As of June 30, 2010 the Agency owed \$11,150 to its Executive Director as described in Note 4. The loan was made to the Agency for operations until grant proceeds are reimbursed. The loan is interest-free and is due as grant proceeds are received.

NOTE - 10 SUBSEQUENT EVENTS

The Organization has evaluated subsequent events through May 1, 2013, the date which the financial statements were available for distribution, concluding there were no events requiring disclosure.

URBAN SUPPORT AGENCY, INC
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2010

<i>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</i>	<i>Federal CFDA Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Federal Expenditures (\$)</i>
TANF Cluster-Cluster			
Department of Health and Human Services Pass-Through Programs From			
Caddo Parish Commission-Temporary Assistance for Needy Families	93.558	28 10 05 09	\$401,089
<i>Total Temporary Assistance for Needy Families</i>			<u>401,089</u>
<i>Total Department of Health and Human Services Pass-Through Programs</i>			<u>401,089</u>
<i>Total Department of Health and Human Services</i>			<u>401,089</u>
Total TANF Cluster-Cluster			<u>401,089</u>
Other Programs			
Department of Education Pass-Through Programs From			
LOUISIANA DEPARTMENT OF EDUCATION-Twenty-First Century Community Learning Centers	84.287		441,968
<i>Total Twenty-First Century Community Learning Centers</i>			<u>441,968</u>
<i>Total Department of Education Pass-Through Programs</i>			<u>441,968</u>
<i>Total Department of Education</i>			<u>441,968</u>
Total Other Programs			<u>441,968</u>
Total Expenditures of Federal Awards			<u>\$843,057</u>

See Independent Auditor's Report

Urban Support Agency, Inc.
Notes to Schedule of Expenditures of Federal Awards
AS OF JUNE 30, 2010

NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Urban Support Agency Inc., and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of the basic financial statements.

Note B – SUB-RECEPIENTS

Urban Support Agency, Inc. did not provide any federal award expenditures to sub-recipients during the year ended June 30, 2010.

Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To The Board of Directors
Urban Support Agency, Inc
Shreveport, Louisiana

I have audited the financial statements of Urban Support Agency, Inc. (a nonprofit organization) as of and for the year ended June 30, 2010, and have issued my report thereon dated May 1, 2013. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the *Comptroller General of the United States*.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Urban Support Agency, Inc.'s internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Urban Support Agency, Inc.'s internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the organization's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

My consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. I did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. However, I identified one (1) deficiency in internal control over financial reporting, described in the accompany schedule of findings and questioned costs as item 2010-1, that I consider to be a significant deficiency in internal control over financial reporting. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Urban Support Agency, Inc.'s financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion. The results of my tests disclosed an instance of noncompliance or other matter that is required to be reported under Government Auditing Standards and which is described in the accompanying schedule of findings and questioned costs and responses as item 2010-1.

Urban Support Agency, Inc.'s response to the findings identified in my audit is described in the accompanying schedule of findings and questioned costs. I did not audit Urban Support Agency, Inc.'s response and accordingly, I express no opinion on it.

This report is intended solely for the information and use of management, the Board of Directors, others within the entity, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



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Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation
May 1, 2013

**Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation**

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB
CIRCULAR A-133**

Board of Directors
Urban Support Agency, Inc...
Shreveport, Louisiana

Compliance

I have audited the compliance of Urban Support Agency, Inc. with the types of compliance requirements described in the OMB Circular A-133 Compliance Supplement that are applicable to each of its major federal programs for the year ended June 30, 2010. Urban Support Agency Inc.'s major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs and responses. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Urban Support Agency Inc.'s management. My responsibility is to express an opinion on Urban Support Agency Inc.'s compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Urban Support Agency Inc.'s compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination of Urban Support Agency Inc.'s compliance with those requirements.

In my opinion, Urban Support Agency Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal program for the year ended June 30, 2010.

Internal Control Over Compliance

Management of Urban Support Agency Inc. is responsible for establishing and maintaining effective internal controls over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Urban Support Agency Inc.'s internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal

control over compliance. Accordingly, I do not express an opinion on the effectiveness of Urban Support Agency Inc.'s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

My consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Urban Support Agency Inc.'s Board and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Talmadge E. Mitchel
Certified Public Accountant
A Professional Corporation
May 1, 2013

URBAN SUPPORT AGENCY, INC.

**Schedule of Findings, Questioned Costs and Responses
For the year ended June 30, 2010**

SUMMARY OF AUDITOR'S REPORTS

Financial Statements		
Type of auditor's report issued	Unqualified	
Internal Control over financial reporting		
Material weaknesses identified	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Noncompliance material to financial statements noted	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
Federal Awards		
Internal control over major programs		
Material weaknesses	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Significant deficiencies identified	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Type of auditor's report issued on compliance for major program	Unqualified	
Any audit findings disclosed that are required to be reported in accordance with section 510 (a) of OMB Circular A-133	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Major program identified:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
21 st Century Learning Centers	CFDA 84.287	
Temporary Assistance for Needed Families	CFDA 93.558	
Dollar threshold used to distinguish between type A and Type B programs	\$300,000	
Auditee qualified as a high risk auditee	Yes	

URBAN SUPPORT AGENCY, INC.

**Schedule of Findings, Questioned Costs and Responses
For the year ended June 30, 2010**

FINDINGS

Item: 2010-1 Compliance with Audit Law

Criteria: Louisiana Revised Statute 24:513 require that an audited financial statement be submitted to the Legislative Auditor within six months of the close of the organization's fiscal year. The Agency's fiscal year ended June 30, 2010, therefore the audit report was required to be submitted by December 31, 2010.

Condition: The Agency's fiscal year ended June 30, 2010 and was required to submit an audit report by December 31, 2010.

Context: I reviewed requirements of the State of Louisiana relating to submission of financial reports by quasi-public organizations.

Questioned Costs: None

Effect: The Agency is not in compliance with applicable state law.

Cause: The initial audit although submitted was not accepted by the Legislative Auditor for reasons not related to the Agency.

Recommendation: The Agency should engage a CPA within 45 days of year end and require the audit to be completed within a reasonable time prior to the audit submission date.

Management's Response and Planned Corrective Actions:

Name of Contact Responsible – Executive Director

Corrective Action Planned – The Agency has engaged a different CPA and will make every effort to have the audit is completed within an acceptable time period.

Anticipated Completion Date: 10/31/2012

URBAN SUPPORT AGENCY, INC.

**Schedule of Prior Year's Findings, Questioned Costs and Responses
For the year ended June 30, 2009**

Compliance:

Item: 2009-1

Criteria or Specific Requirement: Urban Support Agency (Agency) is required to submit an audit of its annual financial statements to the Louisiana Legislative Auditor within six months of its year-end or June 30, 2009.

Type of Finding: Noncompliance.

Condition: The audited financial statements were not completed by December 31, 2009.

Effect: Noncompliance with state law regarding financial reporting.

Cause: The CPA experienced technical problems which delayed the submission of the financial statements and submission thereof within the time period required.

Recommendation: This was a finding in the prior year. Engage to have the audit start within 45 days of year end.

Views of Responsible Officials and Planned Corrective Actions:

A) Name of Contact Responsible – Executive Director

B) Corrective Action Planned – The Agency has engaged a different CPA and will make every effort to have the audit done timely.

Federal Award Findings and Questioned Costs

No findings were reported for the year ended June 30, 2009